DOCKET FILE COPY ORIGINAL

ORIGINAL

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

RECEIVED

JUL 1 6 1999

In the Matter of)	CC Dkt. No. 96-98 F THE SECONMISSION
)	CC Dkt. No. 96-98
STATE UTILITY COMMISSION REQUESTS)	
FOR ADDITIONAL AUTHORITY TO)	File No. NSD-L-98-136
IMPLEMENT TELECOMMUNICATIONS)	File No. NSD-L-99-19
NUMBER CONSERVATION MEASURES)	File No. NSD-L-99-21
)	File No. NSD-L-99-27
)	File No. NSD-L-99-33
)	

Comments of Omnipoint Communications, Inc.

Benjamin H. Dickens, Jr. Mary J. Sisak Michael B. Adams, Jr. Blooston, Mordkofsky, Jackson & Dickens 2120 L Street, N.W. Washington, D.C. 20037

Its Attorneys

July 16, 1999

No. of Copies rec'd

Table of Contents

Sum	ımary	. ii
I.	The Commission Must Retain Its Central Authority and Issue Uniform, National Guidelines Before Allowing the States Additional Authority Over Short Term Number Conservation Solutions	. 1
II.	The Commission Should Grant Additional Jurisdiction to the States to Investigate and Implement Wireless-Only Overlays or Technology-Specific Overlays As Conservation Methods	. 6
	A. Basing NXX Allocations Upon Rate Centers Is the Singular Cause of Premature Area Code Exhaustion	. 6
	B. Wireless-Only or Technology-Specific Overlays Provide An Immediate Solution to Numbering Shortages and Do Not Have a Discriminatory Effect on Carriers	. 9
	C. The Commission Should Not Grant the States Additional Number Administration Authority for the Purpose of Implementing Any of the Pooling Methodologies Against CMRS Carriers	11
III.	Allowing the States to Institute Mandatory Number Pooling and Expand Deployment of Permanent Number Portability Would Create Serious Administrative Problems	12
IV.	Number Pooling, Sharing of NXX Codes in Rate Centers, and Expanding the Deployment of Permanent Number Portability Would Prematurely Impose Local Number Portability on PCS Carriers	13
	A. The Commission Has Recognized Technological Constraints in the LNP Forbearance Order	14
	B. The Commission Has Further Recognized the Capital Requirements On New Entrants Which Are Developing Networks and Establishing Service Quality	15
	C. Pooling and Porting Methodologies Will Not Produce Increased Efficiencies As Applied to Wireless Carriers	16
V	Conclusion	1 Ω

Summary

Omnipoint Communications, Inc. ("Omnipoint") supports granting states such as California, Massachusetts, Maine and Florida limited additional authority to implement number conservation measures, such as state-wide wireless-only or technology-specific overlays. It is essential, however, that if the Commission allows the states increased flexibility and greater options when implementing short term conservation measures, the Commission must retain its centralized authority over numbering issues and only allow the states to craft such measures according to uniform, national guidelines. In the absence of a set of common national standards, such state efforts threaten to produce an uncoordinated, decentralized patchwork of number administration regimes. This would hamper the work of the NANPA in administering the national numbering architecture, and would seriously complicate the task of competitive carriers in entering markets, obtaining sufficient number resources, and competing with incumbent carriers on a national basis.

As part of this proceeding, Omnipoint respectfully requests that the Commission reconsider its current policy against permitting the states to investigate or implement wireless-only or technology-specific overlays as methods of number resource optimization. Such overlays are efficient means of resolving numbering shortages, and are in fact no more discriminatory, anti-competitive or harmful to consumers than the continued use of the current rate center-based methodology. As Omnipoint demonstrates, the continued reliance upon wireline rate centers is the singular cause of the current number resource problem. Even though wireless PCS carriers such as Omnipoint are efficient users of number resources, and are not the cause of number shortages, they

suffer acute competitive harm when they suffer delays or obstacles to obtaining sufficient numbers. In light of these ongoing problems, Omnipoint has concluded that the Commission's policy against permitting wireless-only or technology-specific overlays no longer serves its stated purposes of promoting competition and preventing-discrimination against wireless carriers. In the absence of finalized number conservation guidelines or other long-term solutions, Omnipoint renews its support for wireless-only or technology-specific overlays as an immediate, short-term solution.

Omnipoint opposes granting the states additional authority to implement any of the number pooling conservation methodologies against wireless carriers. As the Commission decided in February of 1999 – when it extended the deadline under which CMRS carriers are to implement local number portability ("LNP") until 2002 – the wireless industry has demonstrated that it can implement effective conservation methods that are not based upon LNP. Allowing the states to institute mandatory number pooling will essentially overturn this decision, and would prematurely force wireless PCS providers such as Omnipoint to implement number portability in the face of serious technical constraints that remain unresolved. As applied to wireless PCS providers, number pooling and porting methodologies would also fail to increase the efficiency with which wireless carriers use their allocated number resources, and would not increase the supply of available numbers overall. Wireless carriers would therefore incur significant costs without any benefit, and would waste resources that would be better spent on completing the build-out of their systems, improving coverage and improving service quality.

FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of)	
)	CC Dkt. No. 96-98
STATE UTILITY COMMISSION REQUESTS)	
FOR ADDITIONAL AUTHORITY TO)	File No. NSD-L-98-136
IMPLEMENT TELECOMMUNICATIONS)	File No. NSD-L-99-19
NUMBER CONSERVATION MEASURES)	File No. NSD-L-99-21
)	File No. NSD-L-99-27
)	File No. NSD-L-99-33
)	

Comments of Omnipoint Communications, Inc.

Omnipoint Communications, Inc. ("Omnipoint"), by its attorneys, respectfully submits its comments regarding the requests by the states of California, Massachusetts, New York, Maine and Florida for additional authority to implement number resource conservation measures, and address problems such as impending area code exhaustion.

I. The Commission Must Retain Its Central Authority and Issue Uniform, National Guidelines Before Allowing the States Additional Authority Over Short Term Number Conservation Solutions

If the Commission allows the states additional flexibility and more options in crafting short term number conservation and relief measures, as they have requested, it is essential that the Commission retain its centralized authority over numbering issues and allow the states authority only to craft such solutions according to uniform, national guidelines. Permitting the states to experiment with number conservation methods in the absence of such standards would decentralize the numbering system and fragment its administration, since individual states will inevitably pursue their own individual and diverse policies in the absence of common coordination. If such disorganization develops,

it would become extremely difficult for the North American Numbering Plan Administrator ["NANPA"] to coordinate the national numbering architecture. Such disorganization would also interfere with the Commission's ability to implement permanent, long-term numbering policies. Moreover, permitting a state-by-state checkerboard of number conservation measures to spring up would complicate – rather than assist – the ability of new market entrants such as Omnipoint to compete with incumbent carriers.

As Omnipoint has stressed in its prior comments to the Commission on number conservation issues, the Commission must respond to the current shortages of numbering resources with a long-term solution to the shortage of number resources, instead of using short-term measures that will not resolve the underlying cause of the problem.¹ To do this effectively, the Commission must first exercise its jurisdiction under Section 251(e)(1) and complete its task of adopting uniform, national rules and procedures for implementing any numbering conservation.² Any delegation to the states that might occur before such rules and procedures are in place would be premature.³ And while the need for number resource conservation is currently intense, the need for an orderly, coordinated solution is greater.

See Omnipoint Comments to the Petition of the Florida Public Service Commission for Additional Authority to Implement Number Conservation Measures, File No. NSD-L-99-33, at 3-5 (filed May 14, 1999)("Omnipoint Florida Comments"); see also Omnipoint Comments to the Petition of the New York Department of Public for Additional Authority to Implement Number Conservation Measures, File No. NSD-98-21, at 3-4 (filed April 5, 1999).

² <u>See</u> Omnipoint Florida Comments at 4.

Id.

The benefits of establishing uniform, national rules and procedures are undisputed. As the Commission has stated, a nationwide, uniform system of numbering is essential to the efficient delivery of telecommunications services in the United States.⁴ Precisely like any other Commission standard or rule that addresses local competition, establishing such uniform and national standards for number conservation will ease the difficulty with which new competitors enter telecommunications markets. Such national standards also promise to simplify the task new competitors face in complying with federal and state regulatory requirements. Lastly, uniform rules will also simplify the work of the NANPA in carrying out its duties as the centralized NXX code administrator.⁵ While creating such rules and standards will be difficult, and will require significant Commission resources to complete, there is no reason to believe that individual, state-based experiments and emergency measures will ever fill the void. Moreover, a state-by-state checkerboard of short-term

See Petition for Declaratory Ruling and Request for Expedited Action on the July 15, 1997 Order of the Pennsylvania Public Utility Commission Regarding Area Codes 412, 610, 215 and 717; Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Memorandum Opinion and Order and Order on Reconsideration, 1998 FCC LEXIS 5036 (1998) ("Pennsylvania Numbering Order"), at ¶ 21, citing In the Matter of Proposed 708 Relief Plan and 630 Numbering Plan Area Code by Ameritech-Illinois, Declaratory Ruling and Order, 10 FCC Record 4596, 4602 (1995) ("Ameritech Order").

See, e.g., In the Matter of Petition for Declaratory Ruling and Request for Expedited Action on the July 15, 1997, Order of the Pennsylvania Public Utility Commission Regarding Area Codes 412, 610, 215 and 717, Memorandum Opinion and Order and Order on Reconsideration, NSD File No. L-97-42 and CC Docket No. 96-98, at ¶¶ 32-33 (1998). As stated by the Commission, "[I]f each state commission were to implement its own NXX code administration [e.g. conservation] measures without any national uniformity or standards, it would hamper the efforts of the North American Numbering Plan Administrator ["NANPA"] to carry out its duties as the centralized NXX code administrator . . . and could interfere with forecasting and projections for exhaust of the North American Numbering Plan and could force implementation of a new plan earlier

conservation measures would promise to be a costly and complex regulatory nightmare for the NANPA, for carriers, and eventually for the Commission.

For similar reasons, it is also crucial that the Commission retain authority under Section 251(e)(1) to oversee the actions of the states regarding numbering administration, and not delegate too much authority or discretion to state regulators. Under Section 253(d) of the Telecommunications Act of 1996 ("1996 Act"), the Commission is charged with overseeing the regulatory actions of the states and serving as the guarantor of open, evenhanded competition between carriers. As such, the Commission must retain sufficient control over number resources to review and approve – or possibly reverse – any state numbering decisions that would disproportionately benefit or harm particular industry segments or groups of customers.

It is also clear that the Commission must retain responsibility for crafting uniform, national, and long term solutions regarding the availability of number resources (as opposed to short term conservation measures and method trials, such as those commonly proposed by the states). While some implementation issues and some interim conservation issues may be delegated to the states, subject to the Commission's oversight, the states lack both the resources and jurisdiction to implement long-term national solutions such as allowing technology-specific or wireless-only overlays, discussed <u>infra</u>. The Commission must therefore tread a careful balance in delegating the execution of numbering policies to the states while retaining the underlying policy decisions for itself.

than would otherwise be necessary to ensure that numbers are always available for telecommunications providers." See id. at ¶ 32.

Provided that the Commission lays the groundwork for such a uniform, national system, Omnipoint would then support allowing the states limited additional authority to adopt number conservation measures. State regulators do enjoy the advantage of familiarity with their states' telecommunications markets and regulatory regimes, such as the rate center structure and exchange areas established for wireline service, and even the number of wireline competitors authorized in each market. The NANPA also provides the states with information on the rate of central office code assignments and any impending exhaust of Numbering Plan Areas ("NPAs"). For this reason, the states often may be in a better position to craft quick, practical, effective short term optimization and conservation measures for their number resources than the Commission. Many tools are currently available for states to effect such optimization.

In short, Omnipoint agrees that crisis is quickly developing in the availability and allocation of number resources. It is no solution, however, to simply pass the problem of crafting short-term conservation methods to the states. In this and other pending proceedings concerning number administration, the Commission must take decisive action and ensure that the national numbering system does not turn into a reactive and crisis-driven regulatory hodge-podge. But as part of this process, the Commission must also recognize where the existing rules are acting to stifle competition, and must seek out pragmatic solutions.

II. The Commission Should Grant Additional Jurisdiction To the States to Investigate and Implement Wireless-Only Overlays or Technology-Specific Overlays As Conservation Methods

Since wireless carriers have proven to the Commission that they employ efficient and high utilization rates of telephone numbers, Omnipoint respectfully requests that the Commission grant states the additional, limited jurisdiction to further investigate and implement state-wide wireless-only or technology-specific overlays as a means of addressing number resource optimization. Omnipoint has, in the past, strongly advocated the use of expanded overlays based on MTA boundaries. MTA-based overlays, unfortunately, are typically multi-state in nature and states consequently have no jurisdictional authority to enact such measures. State-wide overlays, however, would lie within a state's authority. As shown below, such overlays are an efficient means of resolving numbering shortages, and are no more discriminatory, inherently anti-competitive, nor any more harmful to consumers than the use of the current rate center-based methodology.

A. Basing NXX Allocations Upon Rate Centers Is the Singular Cause of Premature Area Code Exhaustion

As a wireless PCS carrier that must compete both with incumbent carriers and other competitors for sufficient number resources to serve its expanding customer base, Omnipoint appreciates the urgency with which many states – including California, Massachusetts, New York, Maine and Florida – feel that they must act in order to counteract the approaching shortage of available NXX blocks, as well as the cascading exhaust of both their old and new area codes. For Omnipoint and similarly situated competitive carriers, the availability and efficient allocation of numbering resources is both

a benefit to its customers and a stark competitive necessity. If a carrier such as Omnipoint cannot obtain numbers for its customers, even within individual rate centers, it is shut down in that area, and literally cannot compete for business.⁶

The irony of this situation for Omnipoint and other wireless carriers is that they are mired in a numbering shortage which is not of their own making, and which is being driven by the continued allocation of NXX codes (10,000 number blocks) based upon landline rate centers to all carriers, regardless of whether such rate centers have any relation to the manner in which particular carriers conduct business. It is Omnipoint's strong opinion that this practice is the singular cause of premature area code exhaust, and will remain a problem until wireless carriers are uncoupled from the system altogether.

As Omnipoint has previously indicated, there are fundamental differences between wireline and wireless number utilization. Wireless carriers are inherently more efficient in their use of number resources than wireline carriers. A typical NPA consists of approximately 100 wireline rate centers. While wireline carriers are required to obtain NXXs in every rate center in which they desire to compete, the larger, multi-state (or even nationwide) local calling areas of today's wireless carriers have no such limitation. In fact, wireless carriers typically only obtain NXXs in 10 to 13 percent of the rate centers in the area they cover. As a result, wireless carriers would be happy to concentrate all of their NXXs in one rate center within an NPA were it not for the toll and long distance charges that wireline carriers charge their customers to call wireless users.

See Omnipoint Florida Comments at 11.

⁷ See id. at 9-11.

To make matters worse, scores of state-authorized wireline competitors are obtaining NXX resources in rate centers that are already rife with competition, which exacerbates the depletion of NXX resources and hastens NPA exhaust, regardless of their actual expectations of attracting customers. Meanwhile, wireless carriers – which are typically no more concentrated than six per market – are attracting whole classes of new customers, yet are subject to the same dwindling pot of available NXXs.

While wireless carriers are efficient, however, their reliance upon NPAs leaves them acutely exposed to numbering shortages. A shortage of numbers in any single wireless rate center affects a service area ten times the size of a similar shortage suffered by a wireline carrier. Moreover, when a wireless carrier runs out of numbers in one of its rate centers, it will essentially be placed out of business in a large portion of its NPA. In contrast, such a shortage will effect a wireline carrier in a single rate center.⁸

As the Commission has previously noted, wireless carriers such as Omnipoint are efficient users of numbering resources. Omnipoint does not "warehouse" NXX blocks, and achieves both high fill rates and rapid growth within the NXX blocks allocated to it. The competition of wireless and wireline carriers for numbers in the same rate centers, however, means that whatever efficiencies wireless carriers such as Omnipoint achieve will

<u>Id.</u>

See In the Matter of Cellular Telecommunications Industry Association's Petition for Forbearance From Commercial Mobile Radio Services Number Portability Obligations and Telephone Number Portability Obligations and Telephone Number Portability, Memorandum Opinion and Order, 1999 FCC LEXIS 641, at ¶ 47 (Feb. 9, 1999) ("Forbearance Order").

be overshadowed by the inefficiencies of the wireline carriers, as well as the underlying inefficiency of the rate center-based allocation system itself.

For these reasons, Omnipoint has come to conclude that it cannot expect to improve its access to numbering resources so long as it participates in an allocation program designed according to inapplicable landline principles, and whose administration in inherently weighted to the needs of landline carriers. Moreover, Omnipoint also believes that until the Commission takes action either to reduce the number of rate centers, to uncouple wireless carriers from the rate center-based allocation of NXX codes, or to implement an even more far-reaching long term solution, the current number resource crisis will continue unresolved.

B. Wireless-Only or Technology-Specific Overlays
Provide An Immediate Solution to Numbering Shortages
and Do Not Have a Discriminatory Effect on Carriers

In the past, several states – including California and Massachusetts, which are parties to this docket – as well as Omnipoint have advocated the benefits of using technology-specific overlays as an area code relief methodology. The Commission has rejected these requests on the finding that such overlays would disproportionately impact new market entrants, and would have a discriminatory effect against them. ¹⁰

In light of the serious problems that Omnipoint has experienced in obtaining sufficient numbers to enter new markets and compete for customers under the current

See Pennsylvania Numbering Order at ¶ 40 (finding that the Pennsylvania Public Utility Commission's use of number pooling and transparent overlays unduly disfavored wireless carriers and other carriers not capable of using location routing numbers).

system, Omnipoint no longer believes that the Commission's policy against wireless-only or technology-specific overlays serves its purpose.

Omnipoint, therefore, requests that the Commission reconsider the use of technology-specific and/or wireless-only overlays as conservation methods. Unlike other methods, technology-specific and wireless-only overlays provide an immediate solution for wireless carriers, which are at once a significant portion of the industry¹¹ and – as described above – are comparatively blameless for the current number resource shortages.

In addition, Omnipoint renews its support of wireless-only overlays in the absence of any finalized number conservation methodology guidelines, and requests that the Commission modify its decision in the Ameritech Order, which was codified in 47 C.F.R. § 52.19 (c)(3) (i) . As a wireless carrier, Omnipoint has concluded that wireless-only or technology-specific overlays are no more discriminatory, inherently anti-competitive, nor any more harmful to consumers than the current rate center methodology utilized by local exchange carriers. The Ameritech Order sought to protect wireless carriers at a time when the full record on efficient wireless industry number utilization was not known. Now that the record on wireless number utilization efficiencies has been recognized by the Commission in its most recent Forbearance Order, it is appropriate that the Commission revisit this methodology because it clearly removes the industry's most efficient carriers from the on-going number resource optimization "crisis" in the states.

Wireline carriers are competing for the same customers – and a new customer for one carrier is a lost customer for another. Wireline carriers are growing at a rate of 3 to 5 percent each year. In contrast, wireless carriers are attracting large number of new subscribers and are growing at a net rate of 20 to 30 percent each year.

C. The Commission Should Not Grant the States Additional
Number Administration Authority for the Purpose of
Implementing Any of the Pooling Methodologies Against CMRS Providers

The NPA conservation methods of thousand block pooling, unassigned number porting and permanent number portability are similar in that each requires a portability architecture based upon Location Routing Numbers. As the Commission is aware, this past February it revised the implementation schedule under which CMRS carriers are to implement local number portability ("LNP"). As a result of this ruling, the deadline by which CMRS carriers were to implement number portability has been extended until November 24, 2002 -- a date concurrent with the conclusion of the five-year PCS build-out period. In granting this extension, the Commission ruled that it will "provide the industry with the flexibility to allocate its immediate resources toward network construction -- a goal proven to promote a competitive marketplace." The Commission also noted that "... [t]he public interest in efficient use of numbering resources is not harmed by this limited extension of the LNP deadline ..."

The wireless industry has demonstrated to the Commission that wireless carriers can ensure efficient utilization of numbering resources prior to November 24, 2002, during the period that they are not LNP-capable. Specifically, the Commission has observed in this regard that, "[t]he proposals submitted by wireless carriers are helpful, and they demonstrate that there are certain number conservation techniques that are not LNP-based

See In the Matter of Cellular Telecommunications Industry Association's Petition for Forbearance From Commercial Mobile Radio Services Number Portability Obligations and Telephone Number Portability, Memorandum Opinion and Order, WT Docket No. 98-229, FCC 99-19 (February 9, 1999)("LNP Forbearance Order").

Id. at ¶ 49.

that can be implemented during the period in which CMRS carriers have been relieved from their current obligation to implement LNP." See LNP Forbearance Order at ¶ 47. The Commission has signaled its intention to further investigate non-LNP-based conservation methods, with the goal of creating new, uniform, federal rules that will "establish more control" over number administration. Id.

III. Allowing the States to Institute Mandatory Number Pooling and Expand Deployment of Permanent Number Portability Would Create Serious Administrative Problems

The Commission clearly outlined the scope of authority delegated to the state commissions on area code matters in its Second Report and Order regarding local competition. As the Commission is aware, the Second Local Competition Order granted state commissions the "authority to implement new area codes . . . [and choose] among available area code relief mechanisms," but declined to delegate authority to state commissions to administer or allocate NXX codes. As stated by the Commission, "[I]f each state commission were to implement its own NXX code administration [e.g. conservation] measures without any national uniformity or standards, it would hamper the efforts of the NANPA to carry out its duties as the centralized NXX code administrator . . and could interfere with forecasting and projections for exhaust of the North American Numbering Plan and could force implementation of a new plan earlier than would

<u>Id.</u> at ¶ 48.

See Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Second Report and Order and Memorandum Opinion and Order, 11 FCC Rcd 19392 (1996) ("Second Local Competition Order").

See, e.g., Pennsylvania Numbering Order at ¶¶ 32-33.

otherwise be necessary to ensure that numbers are always available for telecommunications providers."¹⁷

The Commission is diligently working with the Industry Numbering Committee to adopt uniform thousand block number pooling guidelines. In fact, the North American Numbering Council is also in the process of concluding an investigation of a bid provided by Lockheed Martin/CIS on thousand block number pooling administration. In the interim of such important work on national standards, granting the states additional authority to implement *mandatory* thousand block number pooling and the expansion of number portability deployment would be premature. Furthermore, granting this additional authority to the states, which have provided little detail as to how these costly measures might be implemented, could negatively impact the NANPA's ability to determine number utilization and forecasting information. Such a development would, in turn, significantly hinder carriers' access to numbering resources.

IV. Number Pooling, Sharing of NXX Codes in Rate Centers, and Expanding the Deployment of Permanent Number Portability Would Prematurely Impose Local Number Portability on PCS Carriers

Omnipoint supports the states' efforts to adopt reasonable code conservation measures within the jurisdiction granted by the Commission. Furthermore, Omnipoint recognizes the Commission's delegation of limited authority to state regulators to implement voluntary pooling trials. However, the Commission and the telecommunications industry have each acknowledged the fact that number pooling and other methodologies based on Location Routing Numbers ("LRNs") are not technically

Id. at ¶ 32.

feasible for all segments of the telecommunications industry at the present time. Since allowing the states to implement number pooling and other methodologies based on LRN architecture would force PCS providers such as Omnipoint to prematurely confront the technical problems which the Commission acknowledged in the <u>LNP Forbearance Order</u>, the Commission should not grant this limited additional authority to implement these diverse conservation mechanisms.

A. The Commission Has Recognized <u>Technological Constraints in the LNP Forbearance Order</u>

As discussed above, the Commission recently extended the deadline by which PCS carriers must deploy local number portability until November 24, 2002. In doing so, the Commission stated that in spite of the fact that some CMRS carriers may be able to deploy number portability under accelerated schedules, "[w]e believe that to facilitate the goals of deploying portability in all major markets and to support nationwide roaming, the deadline we establish should be one that is realistic for the wireless industry as a whole." ¹⁸

Omnipoint recognizes that the <u>LNP Forbearance Order</u> also addressed the possibility of implementing national standards for various number conservation methodologies <u>prior</u> to the new deployment date for wireless LNP, including the possibility of implementing number pooling or other non-LNP methodologies. However, Omnipoint and the wireless industry are working with the state utility commissions in an effort to investigate methodologies that conserve numbering resources while providing all carriers equal access to numbering resources in spite of technical constraints. For example, Omnipoint supports the consideration of using rate center consolidation on a

See LNP Forbearance Order at ¶ 30.

statewide basis, where technology permits. Omnipoint believes that such conservation methodologies are viable means of conserving NXX codes while considering current carrier technical constraints.

B. The Commission Has Further Recognized the Capital Requirements On New Entrants Which Are Developing Networks and Establishing Service Quality

In addition to noting the current technical constraints on both wireless carriers and some wireline carriers, the Commission also balanced the significant capital constraints currently restricting their ability to become LNP capable. Primarily, the Commission noted the current financial constraints of PCS carriers, like Omnipoint, who are focusing their limited capital resources on their network build-out in compliance with the Commission five year requirement, as well as other requirements governed by the Commission. The Commission detailed its investigation of these costs in the LNP Forbearance Order, stating:

... [w]e believe that extending the LNP deadline until November 24, 2002 more appropriately balances the competitive costs and benefits of wireless LNP. The record demonstrates that the costs to the industry of implementing wireless number portability, though not prohibitive, are substantial. Commenters in this proceeding have estimated that it would cost individual carriers, depending on their size, millions of dollars in network upgrade, switch replacement, and changes in back office operations in order to implement wireless number portability. The Yankee Group, an international strategic planning and market research firm, has estimated that the wireless industry as a whole will need to spend up to \$1 billion to implement wireless number portability, including software and network modifications. ¹⁹

The Commission further added:

 $[\]frac{10}{10}$ at ¶ 37.

We agree with CTIA that requiring wireless carriers to implement number portability under the current schedule has the potential to divert available financial and technical resources from other initiatives that could have a more immediate impact on competition, such as network buildout. Indeed, our findings in the Third CMRS Competition Report suggest that in the next few years, investment in buildout will be critical to broadband CMRS carriers as they seek to improve coverage and service quality in response to growing consumer demand. In addition, CMRS carriers are currently devoting substantial resources to Y2K issues and to other regulatory requirements, such as E911 and CALEA, which are designed to meet important public interest needs but likely will result in some additional technical burden. Thus, if carriers are required to implement number portability within the same time frame as these other initiatives, this could slow network buildout and system development efforts necessary to meet these other demands.²⁰

Some state petitions ask for the authority to mandate all carriers operating in their jurisdiction -- including PCS carriers -- to incur the costs associated with employing pooling and porting methodologies prior to the Commission's LNP deployment date. This request clearly is in contradiction with the LNP Forbearance Order. Further, requiring wireless carriers to incur additional, significant capital costs now would hinder their ability to improve coverage and service quality -- goals which the Commission has clearly recognized as in the public interest.

Pooling and Porting Methodologies Will Not
 Produce Increased Efficiencies As Applied to Wireless Carriers

For wireless carriers, the various state Petitions which seek additional authority to implement pooling methodologies request a cure worse than the ill. As an initial matter, number pooling does not accomplish increased efficiency or increase the supply of available numbers for wireless carriers. As discussed above, Omnipoint already achieves high fill rates in each of its service areas. In any event, wireless carriers such as Omnipoint

^{20 &}lt;u>Id</u> at ¶ 38.

are already efficient users of numbering resources, with high fill rates within their allocated NXX blocks, and thousand block pooling or other LNP-based methodologies will not substantially improve their utilization rate. Instead, Omnipoint is concerned that number pooling would work to disadvantage it and similarly situated carriers by prematurely imposing extra costs without effectively resolving the current shortage of numbering resources.

In addition, the rapid rate at which Omnipoint assigns new numbers requires that it maintain numbers in reserve. In its Florida markets, for instance, Omnipoint is licensed by the Commission to cover over an area with over 4.5 million points of presence ("POPs"). At the current consumer demand, Omnipoint has run through a complete NXX code in a matter of weeks. In sum, Omnipoint believes that the Commission should maintain jurisdiction over pooling methodologies – at least with respect to wireless carriers – until the close of its investigation in Docket No. 99-200.

V. Conclusion

For the foregoing reasons, Omnipoint encourages the Commission to only grant the states limited additional authority to implement number conservation measures, after sufficient, uniform, and national standards are in place to guide their exercise of this authority. Omnipoint also supports the investigation of permitting wireless-only area code overlays or technology-specific overlays as conservation measures for wireless carriers. However, Omnipoint continues to opposes the use of mandatory thousand block number pooling, since such a measure would be premature in the absence of uniform, national standards, and would impose number portability obligations on PCS carriers prior to the Commission's November 24, 2002 extended deadline.

Respectfully Submitted,

Benjamik H. Dickens, Jr. /600 Benjamik H. Dickens, Jr.

Mary J. Sisak

Michael B. Adams, Jr.

Blooston, Mordkofsky,

Jackson & Dickens

2120 L Street, N.W.

Washington, D.C. 20037

Attorneys for

Omnipoint Communications, Inc.

July 16, 1999